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Sent: 11/1/2016 10:38:32 AM

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Subject: Bloom Energy's Letter to the Editor --

http://www.delawareonline.com/story/opinion/contributors/2016/10/31/coo-bloom-energy-coverage-paints-inaccurate-picture/93057810/

COO: Bloom Energy coverage paints inaccurate picture

Susan Brennan, Chief Operations Officer, Bloom Energy 11:31 a.m. EDT October 31, 2016

Bloom Energy COO Susan Brennan

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As the Chief Operations Officer of Bloom Energy, I am responsible for all of our manufacturing operations, including our growing manufacturing center in Newark, Delaware.

I feel compelled to share my pride in the Newark operation and to firmly restate our commitment to our workforce, and our obligations to the state. I am prompted to do so in light of the distorted perspective and characterization of our company in this <u>Sunday's article in The News Journal</u>.

Of greatest concern is the underlying premise of Sunday's coverage which misleadingly conflates two separate issues, the clean energy we provide and the jobs we create.

In 2005, the General Assembly enacted a law creating Renewable Portfolio Standards (RPS) that requires more of the state's electricity to come from clean sources. They made this policy decision, like many other states, recognizing that legacy power generation sources emit significant greenhouse gasses and air pollution that imposes very real costs on society that don't show up on monthly electric bills, but come in the form of healthcare costs and in the consequences of a changing climate.

of Bloom Energy. To comply with its RPS requirements, Delmarva evaluated different sources of clean energy, all of which would have resulted in increased electricity costs. The leading alternatives were out-of-state power generation sources. Instead, Bloom generates the required clean energy right here in Delaware.

Specifically, in 2011, the RPS rules were updated to allow fuel cells manufactured in Delaware to help meet these requirements. In Delaware, these Bloom fuel cells deliver important benefits including a reduction of 1.23 billion pounds of CO2 emissions, equal to taking 120,000 cars off the road, while completely eliminating all air pollutants - that are leading causes of asthma and other health issues - from this power generation. Thus, the citizens of Delaware receive the important benefits they are paying for – clean, reliable and resilient power to keep the lights on for over 19,000 homes. In short, the payments for this clean energy, commonly referred to in

Delaware as a "surcharge," are not tied to jobs or hiring. The payments are for the clean energy that helps power up homes and businesses. Five years later, the fact that 25 of the Fortune 100 companies use Bloom Energy Servers for the same reasons validate the decision made by the state as economically and environmentally sound.

Separately, there is another element to the relationship between Delaware and Bloom. Delaware has a long-standing economic development fund designed to attract new job-creating industries to the state. Bloom was selected through this program and was provided with \$12 million to help jump-start our presence in Delaware. Five years later, Bloom has invested over \$50 million of its own resources building a new factory using mostly Delaware contractors and in addition \$45 million in worker payroll to establish our state-of-the-art Delaware manufacturing center. Today, Bloom Energy Servers manufactured in Newark are exported to locations across the U.S. and internationally.

Unlike the clean electricity sales provided to the state, the economic development funds are tied to goals for employment. We are behind on the pace of growth in employment compared to what we originally planned. We are confident that this is a timing issue and we will meet our obligations as our business grows.

Bloom continues to grow its workforce in Delaware, growing by 23% from last year. I wake up each day thinking about how we can meet our commitments to our employees, and to the state of Delaware. While projecting future growth in a new industry is difficult, we will not use that as an excuse. Should we fall short by the dates set in our agreement we will repay economic development funds as required.

I come from the auto industry and I know how critical good, middle-class jobs are to ensuring prosperity. The true test of this partnership will be over the long-term and we are focused on building a world-class company that will deliver high-quality jobs, stand the test of time and make Delaware proud.

There is no doubt the world needs more clean, reliable, resilient electric power, and this is exactly what we provide. I am very encouraged by the market momentum our energy servers are enjoying and by our customer adoption in the U.S. and abroad. We are delivering a unique, advanced high-technology solution that will drive significant employment in Delaware for years to come.

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